



BURBANK ECONOMIC DEVELOPMENT ANNUAL REPORT 2015-2016

PROGRESS & INNOVATION



COMMUNITY DEVELOPMENT DEPARTMENT



Night scene, Media District



Olive & Thyme, Media District

Dear Burbank Stakeholders,

With the mission of advancing job growth, enhancing commercial activity, and maintaining a high quality of life, Burbank Economic Development leads efforts to promote Burbank as an excellent market for companies and individuals to grow, prosper, and compete. Building on an employment base of 150,000 in a city rich with innovative companies, Economic Development achieved notable accomplishments in 2015-2016:

- Positioned Burbank as a hub for hi-tech startups through such initiatives as the Burbank Tech Summit attracting 250 attendees, and networking, training, and consulting programs such as Burbank Tech Talks reaching an additional 350 entrepreneurs year-round;
- Reached out to more than 400 commercial real estate professionals, prospective tenants, and property owners to secure tenants such as Wood Ranch BBQ and Grill, Guisados, and Yard House;
- Secured the 10-year renewal of Visit Burbank, a public-private partnership created to maintain high hotel occupancy rates, currently trending at 87% year to date; and
- Spearheaded the Universal Studios Hollywood Preferred Hotel Partnership, resulting in a 322% increase in Burbank hotel revenues by theme park visitors.

The net result of these efforts is a citywide office vacancy rate of less than 12%, retail vacancy rates at less than 3%, and unemployment at 4.3%.

For further information, please contact Economic Development directly at 818.238.5180.

Ron Davis
Burbank City Manager

BURBANK INCENTIVES

- | | |
|---|----------------------------------|
| • No city income tax | • LEED Incentive Program |
| • No gross sales receipt tax | • Energy Solutions Rebates |
| • One-stop shop, streamlined permitting process | • Solar Power Rebate |
| • One Burbank High-Speed Fiber Optic Network | • California Competes Tax Credit |

One Burbank offers local Burbank businesses ultra-high-speed bandwidth services with industry leading customer service and value.

MISSION

The mission of Burbank Economic Development is to advance sustainable job growth, enhance commercial activity, and maintain quality of life for residents, businesses, and visitors to Burbank.

PERFECTLY ALIGNED ECONOMIC OBJECTIVES

Burbank Economic Development manages public-private partnerships with Downtown Burbank Partnership and Visit Burbank. The combined efforts of the three organizations brand Burbank as a creative, appealing, and rewarding place to visit and do business. This gives Burbank a competitive edge to increase job diversity, attract new businesses, and maintain existing ones.



BURBANK BY THE NUMBERS

The Walt Disney Studios, Media District

DEMOGRAPHICS

RESIDENT
POPULATION

108,366

WORKFORCE
POPULATION

150,000

HOUSEHOLDS

43,941

MEDIAN
AGE

40.9

SOME COLLEGE
AND HIGHER

70.69%

AVERAGE HOUSEHOLD
INCOME

\$87,372

AVERAGE WORKFORCE
INCOME

\$80,000

Sources: Nielsen September 2016 and Emsi 3rd Quarter 2016

ECONOMIC INDICATORS

Media District

CLASS
A & B OFFICE
VACANCY*

12.6%

YTD thru September 2016

Source: CoStar

CITYWIDE
FLEX/INDUSTRIAL
VACANCY

1.8%

YTD thru September 2016

Source: CoStar

OFFICE
VACANCY

11.8%

YTD thru September 2016

Source: CoStar

RETAIL
VACANCY

2.7%

YTD thru September 2016

Source: CoStar

UNEMPLOYMENT
RATE

4.3%

September 2016

Source: EDD

MEDIAN HOME PRICES

Burbank's Median Home Price
Exceeds LA County's by 33%

\$725,000

BURBANK

YTD through August 2016

\$545,000

LA COUNTY

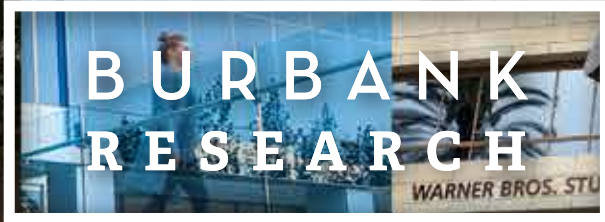
YTD through August 2016

Source: HdL

*Class A office is defined as buildings attracting the highest quality tenants and commanding the highest rents. Class B buildings are generally a little older with good quality management and tenants.



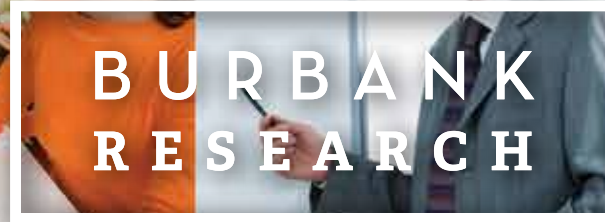
The Walt Disney Studios



The Pointe



Warner Bros. Studios



Moore's Delicatessen, Downtown Burbank

TOP TEN INDUSTRIES IN BURBANK

NUMBER OF JOBS PERCENTAGE OF WORKFORCE

ENTERTAINMENT		33,429	23%
ADMINISTRATIVE SUPPORT SERVICES		21,690	15%
PROFESSIONAL SCIENTIFIC TECHNICAL		17,290	12%
FOOD AND BEVERAGE ESTABLISHMENTS		7,602	5%
EDUCATION		7,124	5%
HEALTH CARE SERVICES		5,899	4%
EXECUTIVE PROFESSIONS		4,312	3%
PERSONAL SERVICES		2,771	2%
SOCIAL ASSISTANCE		2,574	2%
MERCHANT WHOLESALE, DURABLE GOODS		2,309	2%

TOP TEN EMPLOYERS

WARNER BROS.	5,400
THE WALT DISNEY COMPANY	4,000
PROVIDENCE ST. JOSEPH MEDICAL CENTER	2,850
HOLLYWOOD BURBANK AIRPORT	2,200
BURBANK UNIFIED SCHOOL DISTRICT	1,800
DELUXE ENTERTAINMENT	1,700
CITY OF BURBANK	1,600
ABC TELEVISION	950
NICKELODEON ANIMATION	600
CRANE AEROSPACE & ELECTRONICS HYDRO-AIRE	600

Total number of jobs in Burbank: 150,000*

*Includes self-employed and non-profit associations
Source: Emsi

Source: HdL



CITYWIDE ECONOMIC DEVELOPMENT EFFORTS

The Tower, Media District

ENTREPRENEURS

As a city on the cutting edge of creativity with solid infrastructure, ample flex/tech space, and One Burbank ultra high speed bandwidth service, the groundwork is set for encouraging and attracting the next generation of business talent.

BURBANK TECH SUMMIT

INVESTING IN BURBANK

THE HUB FOR TECH STARTUPS IN ENTERTAINMENT, MEDIA AND MORE
The Tech Summit highlighted Burbank as a natural hub for startups, particularly those focused on entertainment and media.

Intention: Sell Burbank as the ideal location for the next generation of tech entrepreneurs. **Result:** 250 participants.

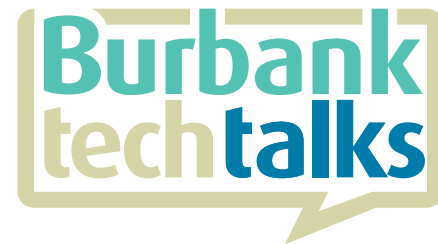
BURBANK TECH TALKS

Burbank Tech Talks give the opportunity for hi-tech and startup companies to network and gain valuable insights from pioneering leaders at tech mixers and lunchtime seminars.

TOPICS:

Tips on Attracting Venture Capital Funding
PR, Marketing, and Growth Strategies
Recruiting Strategies To Attract Technical Talent
What's Next: The Latest Trends

For information call: 818-238-5180



BUSINESS TRAINING

To package and sell the benefits of operating your business in Burbank, Burbank Economic Development offers targeted programs such as:

- One-on-one professional business consulting offered free to Burbank businesses and led by experts from the Los Angeles Economic Development Corporation (LAEDC).
- Customized business training opportunities with free specialized training companies. Topics include: Introduction to Management, Emotional Intelligence, Social Media Strategies, and Excellence in Customer Service.

Number of entrepreneurs served: 550



Walt Disney Animation Studios and ABC Television

WEBSITE

econdevburbank.com

Launched in fall 2016, the new user-friendly economic development website unites all resources into one dedicated location. It represents a full service portal for demographics, economic indicators, industry profiles, permit and license guidance, zoning information, leasing opportunities, incentives, business assistance, and more.

EXCELLENCE IN ECONOMIC DEVELOPMENT AWARDS

Burbank Economic Development received two Excellence in Economic Development Awards from the International Economic Development Council (IEDC) in 2016. IEDC's Excellence in Economic Development Awards recognize the world's best economic development programs creating positive change in their communities.

- **Silver Award** for the citywide leasing packet and accompanying advertising campaign.
- **Bronze Award** for the Visit Burbank's responsive, image-driven website promoting Burbank hotels, attractions, and amenities.



Visit Burbank website home page



Leasing packet



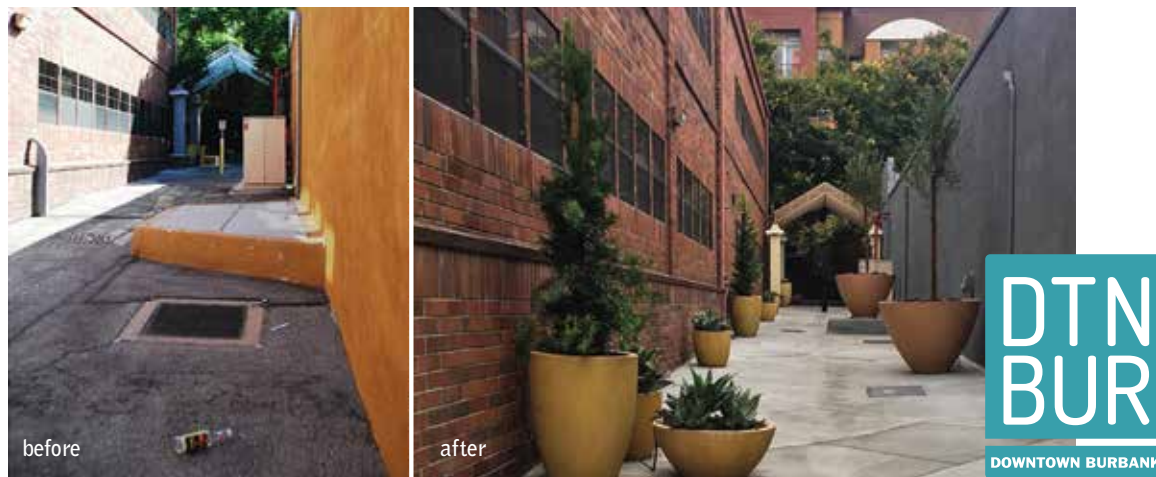
San Fernando Boulevard, Downtown Burbank

Formed in 2003, the Downtown Burbank Partnership funds and manages improvements, events/marketing, and advocacy for property owners and merchants in Downtown Burbank. The goals of the organization are to boost sales and property values, improve the aesthetics of Downtown Burbank, and brand itself as a visitor destination.

CAPITAL IMPROVEMENTS

To improve aesthetics, the Partnership spent \$313,000 on Downtown Burbank projects in 2016 including:

- Completing the first phase of Paseo upgrades with the MUD Paseo at 129 South Fernando Boulevard featuring new lighting solutions, planters, and sustainable landscaping;
- Initiating a new enhanced district-wide maintenance program. The additional service provided by the Partnership effectively doubles the level of care on Downtown Burbank's streets and paseos;
- Adding drought-tolerant planting and irrigation throughout the Downtown; and
- Purchasing new benches and trash bins for the district.



129 South Fernando Boulevard



SPECIAL EVENTS

Downtown Burbank special events have gained a regional following attracting new patrons to experience the district's 400 shops and restaurants:

DOWNTOWN BURBANK ARTS FESTIVAL 20,000	BURBANK INTERNATIONAL FILM FESTIVAL 3,800
DOWNTOWN BURBANK CAR CLASSIC 15,000	BURBANK BEER FESTIVAL 3,000 tickets, 10,000 for Street Festival
BURBANK COMEDY FESTIVAL 2,700	THE RINK IN DOWNTOWN BURBANK 12,200
TOTAL ATTENDANCE 66,700	



An Open Invitation, Magnolia Park

RETAIL RECRUITMENT IN DOWNTOWN BURBANK

In 2016, Downtown Burbank Partnership hired Buxton, a retail analysis company, to help attract quality tenants. Buxton provides analytic insights that reveal customer profiles by neighborhood, helping to bring in tenants that the market can support.

GOAL: Attract new shops and restaurants to further strengthen Downtown Burbank's vibrant economy.

METHODOLOGY: Buxton utilizes consumer market data including:

MEDIAN HOUSEHOLD INCOME

Giving median household income data by drive time areas or radius maps.

PSYCHOGRAPHICS

Psychographic profiles of households within specific drive-times of Downtown Burbank.

DRIVE-TIME AREA

Showing the consumer base living within specific drive-times of Downtown Burbank.

ANALYSIS: Downtown Burbank can support the following types of retailers:



NEXT STEPS: Aggressively attract selected retailers.



Source: Buxton



TOURISM ECONOMICS

Warner Bros. Studio Tour Hollywood, Media District

THE ECONOMIC IMPACT OF TOURISM IN BURBANK

A study paid for by the Burbank Hospitality Association, doing business as Visit Burbank, measured the economic impact of tourism in 2015.

IN 2015 JUST OVER 3.1 MILLION VISITORS CAME TO BURBANK



\$724.8 MILLION SPENT BY VISITORS



\$191 MILLION ON RETAIL SHOPPING



\$182 MILLION ON RECREATION



\$124 MILLION ON FOOD AND BEVERAGE



\$123 MILLION ON LODGING



\$105 MILLION ON TRANSPORTATION

- Tourism in Burbank generated **\$31.6 million in local tax revenues.**
- **8,063 jobs** were sustained by visitors.
- An estimated **35% of tourism-supported jobs** are in recreation, **23%** in food and beverage, and **10%** each in retail and lodging.

Source: Tourism Economics, October 2016



HOSPITALITY INDUSTRY

SpringHill Suites Los Angeles Burbank/Downtown, Downtown Burbank

VISIT BURBANK

Founded in 2011, Visit Burbank has achieved spectacular growth in building the tourism market. Totalling **18 hotels and 2,568 rooms**, the association's mission is to stimulate economic development through tourism.

Goal: Boost hotel occupancy while positioning Burbank as a national tourism destination.
Funding: 1% assessment on room nights at Burbank hotels with 25 or more rooms.
 The association was **renewed with 93% approval by stakeholders in 2016** for a ten year term.

	2011	2016 (thru Sept.)	Increase
Hotel Occupancy Rates	74%	87%	+18%
Average Daily Rates	\$114	\$174	+53%
Revenue	\$84	\$151	+80%
RevPAR	\$67 million	\$124 million (estimated year-end)	+85%

UNIVERSAL STUDIOS HOLLYWOOD PREFERRED HOTEL PARTNERSHIP

When compared to 2015, Burbank hotels experienced a **322% increase in room revenue by theme park visitors.**

Visit Burbank initiated a new relationship with Universal Studios Hollywood that resulted in ten hotels participating in the Universal Studios Hollywood Preferred Hotel Partnership. This program uniquely delivers:

- Early Park Admission for hotel guests.
- Placement and promotion of the hotel on www.universalstudioshollywood.com's hotel/vacation packages page.
- Inclusion in multi-million dollar annual Universal Studios Hollywood marketing campaign.
- Visibility to more than 1 million Universal Studios Hollywood subscribers.
- Social campaigns to more than 2 million Universal Studios Hollywood followers.

DIGITAL AD CAMPAIGN

In fall 2015, Visit Burbank initiated the first-ever digital marketing campaign targeting leisure travelers from 13 cities with non-stop flights into Burbank, as well as important drive markets such as San Diego and Santa Barbara. From March through September 2016, the campaign generated:

17 million impressions and 42,000 click throughs contributed to increased hotel occupancy rates up 8%, average daily rates up 20%, and revenue up 37% through September 2016.





COMMERCIAL DEVELOPMENT

First Street Village rendering

AVION BURBANK

3001 North Hollywood Way - Adjacent to future Hollywood Burbank Airport replacement terminal

STATUS: To be considered by City Council in early 2018

A new business park located on approximately 61.5 acres that will include:

- Six, 2-story tall industrial/warehouse buildings totaling more than 1 million sq. ft.
- Nine, 2-story creative office buildings totaling 142,250 sq.ft.
- Two, 1- story retail/restaurant buildings of approximately 15,000 sq. ft.
- A 150-room hotel.
- The project also includes applicant improvements to Tulare Avenue east of Hollywood Way.



BURBANK TOWN CENTER RENOVATION

201 West Magnolia Boulevard

ESTIMATED COMPLETION: Late 2017

STATUS: Approved

The \$65 million renovation of Burbank Town Center will make it the new bustling heart of Downtown Burbank connecting shopping, dining, new residences, and an open-air community plaza with a vibrant lifestyle center. The project will include:

- The Magnolia Boulevard entrance will feature outdoor dining, and interior leasing will focus on family, fashion and entertainment tenants.
- The ground level will feature fast casual gourmet eateries, while the second will be devoted to contemporary fashion retailers, and the third will be themed around entertainment venues such as a bowling alley and new AMC movie theatre.



FIRST STREET VILLAGE

First Street and Magnolia Boulevard

STATUS: To be considered by City Council in early 2017

A proposed project at First Street between Magnolia Boulevard and the alley southeast of Palm Avenue that includes:

- Three 5-story structures with a total of 283 apartments, 13,765 sq. ft. of retail space, and 662 parking spaces.
- The project will offer a fitness center, a swimming pool, meeting room, outdoor courtyards, roof terraces, and a dog park.

IKEA SITE REDEVELOPMENT

San Fernando Boulevard north of Burbank Town Center

STATUS: To be considered by City Council in early 2018

The relocation of IKEA to Downtown Burbank Southside opened the opportunity to re-envision San Fernando Boulevard north of the mall. The plans include:

- A 15-story building with 70 residential units.
- Three 7-story buildings with 765 residential units and nearly 40,000 sq. ft. of retail/restaurant space, 259 apartments, and a 200 room hotel with 10,000 sq. ft.
- An outdoor plaza featuring pedestrian walkways, landscaping and open space for community events like farmer's markets and outdoor movie screenings.



SCREENLAND DRIVE MIXED-USE PROJECT

115 North Screenland Drive

STATUS: To be considered by the City of Burbank Planning Board in December 2016

- The project proposes a single 13-story building (approximately 170 ft. high), with a total of 40 apartments, approximately 3,730 sq. ft. of retail/restaurant space on the ground floor, and two levels of subterranean parking.
- All apartment units have two bedrooms, and range in size between 1,262 to 1,430 sq. ft. each.



PREMIER ON FIRST

103 East Verdugo Avenue

STATUS: To be considered by City Council in mid 2017

A mixed-use development project in Downtown Burbank featuring two proposed 14-story towers plus:

Phase I:

- 154 residential units.
- 10,400 sq. ft. of ground level retail space.
- 445 new parking spaces.

Phase II:

Two options, a 230 room hotel with an additional 256 parking spaces, approximately 5,250 sq. ft. of ground level retail space, and a new restaurant on the top level; or an office option with approximately 158,595 sq. ft., 429 new parking spaces, and approximately 11,728 square feet of ground-level retail.



AC HOTEL

550 North Third Street

STATUS: Requires approvals for Development Review and a Conditional Use Permit

- The project proposes a single 6-story hotel with 198 rooms, approximately 3,800 sq. ft. of hotel restaurant space on the ground floor, and three levels of subterranean parking.
- Proposed amenities include a fitness center, lounge/library area, pool/spa deck, an outdoor courtyard, and a rooftop viewing deck on the 6th floor.

PROPOSED AIRPORT HOTELS

2500 North Hollywood Way

STATUS: Requires discretionary approvals including a Planned Development, a Development Agreement, and Development Review

Phase 1: Consists of an 8-story hotel with a total of 200 rooms, a fitness center, outdoor swimming pool, and a community room.

Phase 2: Two options, a 9-story hotel with 216 rooms, and a 4-story parking garage; or, a 6-story office building with approximately 120,000 sq. ft. of office floor area, and a 5-story parking garage.





BURBANK ECONOMIC DEVELOPMENT ANNUAL REPORT 2015-2016

COMMERCIAL DEVELOPMENT | PUBLIC PRIVATE PARTNERSHIPS | TOURISM



BURBANK CITY COUNCIL

- Jess Talamantes, Mayor
- Will Rogers, Vice Mayor
- Bob Frutos, Council Member
- Emily Gabel-Luddy, Council Member
- Dr. David Gordon, Council Member

COMMUNITY DEVELOPMENT DEPARTMENT